

**MINUTES OF A REGULAR MEETING OF
THE TORRANCE WATER COMMISSION**

1. CALL TO ORDER

The Torrance Water Commission convened in a regular session at 7:08 p.m. on Thursday, December 21, 2006 in the West Annex meeting room at Torrance City Hall.

2. ROLL CALL:

Present: Commissioners Deemer, Lew, Rizzardi, Warner, White, and Chairperson Hoffman.

Absent: None.

Also Present: Public Works Director Beste,
Senior Administrative Analyst Schaich, and
Metropolitan Water District Director Wright.

3. FLAG SALUTE

Commissioner Deemer led the Pledge of Allegiance.

4. AFFIDAVIT OF POSTING

MOTION: Commissioner Lew moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. Commissioner White seconded the motion; a voice vote reflected unanimous approval.

5. APPROVAL OF MINUTES

5A. MINUTES FROM OCTOBER 19, 2006

MOTION: Commissioner White moved for the approval of the October 19, 2006 Water Commission meeting minutes as submitted. Commissioner Rizzardi seconded the motion; a voice vote reflected unanimous approval.

6. NEW BUSINESS

**6A. CHAIRPERSON HOFFMAN'S PRESENTATION TO WATER COMMISSION
REGARDING THE POSSIBILITY OF EXPANDING THE PURVIEW OF THE
COMMISSION**

Chairperson Hoffman gave a Power Point presentation on his proposal to create a Public Service Commission for Torrance enterprise funds that would include water, sewer services, and refuse removal. He provided background for his recommendation and briefly reviewed the Water Commission's purview as stated in the Torrance Governing Code, noting that the Commission advises the City Council regarding water policy and legislative matters.

He discussed his observations of the current Water Commission that include a limited number of issues for Commission recommendations, minimal Commission work with staff on capital improvements, and minimal issues requiring advise to City Council. He stated that Commission meetings primarily provide educational information to Commissioners and questioned if the Commission in its current form is the best use of City staff and community advisory resources.

He proposed that the Water Commission be modified to become a Public Services Commission that would have advisory purview over enterprise funds that provide billed public services to the community at large. He stated that there should be some public or community oversight that oversees the various business, policy, operation, and review of these utilities on a periodic basis as well as to review at least quarterly financial reporting.

Public Works Director Beste noted that a green waste pilot program was recently approved by City Council. He provided clarification that there was no community oversight on sewer services or rubbish removal but noted shared interest by the Environmental Quality and Energy Conservation Commission.

Chairperson Hoffman provided a comparison of customers, annual revenue, and capital budgets for water, sewer services, and rubbish removal utilities. He noted that water, sewer services and refuse removal have similar operational attributes and City staff support as well as similar technical and operational considerations affecting the community.

He stated his proposed goals of a Public Services Commission: to provide community member oversight of public services billed to the Torrance community at large, to provide a public venue for performance review and City accountability to public services customers, to proactively advise City staff and City Council on issues effecting City public services, and to enhance communication with City Council on issues directly impacting City public services.

MWD Director Wright received clarification from staff that sludge is sent to the Los Angeles County facility in Harbor City and that the City does not have oversight regarding its disposal.

Commissioner Rizzardi initiated a brief discussion centered on the City's quarterly budget review process and monthly Treasurer's report.

Public Works Director Beste explained that a City Council subcommittee is set up to review the budget and that there is reporting provided for all variances. He stated that the budget is complex and large, and that the Department would need to analyze the need for additional staffing in order to provide the level of reporting that Chairperson Hoffman was suggesting.

Chairperson Hoffman stated that financial reporting is different than budget review and that there should be more community oversight. When other Commissioners indicated that reviewing financial reports is not part of the Commission's purview, he stated that his recommendation would provide an opportunity to redefine the Commission's role.

He presented suggested roles of a Public Service Commission that include quarterly financial review, rate design and policies, capital projects review, regulatory compliance, operating issues, performance assessment, addressing community needs, and focusing on issues requiring advise to staff or City Council.

When Commissioner Lew stated that the Commission would need to increase its knowledge base to better understand the issues, Chairperson Hoffman suggested that it would depend on how material is presented and that the Commission could have global knowledge and common sense to make good decisions. He noted that the present Commission was balanced with different degrees of expertise and that it was important to ask questions of staff.

Commissioner White concurred that addressing community needs is important and that there should be more input from the public on issues that come up.

Commissioner Rizzardi suggested increased involvement with homeowners associations.

Chairperson Hoffman briefly reviewed community needs involving water that include conservation and demand management, expanding reclaimed water, and resolving conjunctive use issues. Referring to rubbish removal, he suggested some community needs that include expanding the recycling program, a green waste program, a local refuse transfer station, and refuse services to commercial and industrial sectors. He described possible community needs for sewer services that include State and regional regulatory compliance, sewer system management plans, and replacement of old and deteriorated sewer systems.

He offered suggestions that include meeting with Mayor Scotto to propose a change in the Commission scope, consider rotating a different service each month, review City charter or organizational requirements, review government agency, regulatory, and jurisdictional considerations, and review City staff and resource impacts. He concluded his presentation by stressing the importance of redefining the scope and role of the Commission to better serve and advise City Council.

Commissioner Rizzardi agreed that the role of the Commission should be more meaningful and stated that he would like to review and think about the presentation until the next Commission meeting.

MWD Director Wright noted that it is difficult for MWD staff to present material on engineering projects, budget and finance, legislation, legal matters, water planning, and water operations in a simple enough manner to be understood.

Commissioner Warner noted that the City has considered realigning and restructuring the Commission structure for some time, adding that there was a certain amount of prestige in serving on a City Commission. He suggested that the proposed Commission with its focus on infrastructure was not as visible as other City Commissions and would not attract much interest from the community.

Public Works Director Beste stated that in the future there would be more public outreach on such issues as the green waste program.

Chairperson Hoffman stated that the main purpose of the Commission is to advise staff and City Council on issues that are important to the City.

MOTION: Commissioner White, seconded by Commissioner Warner, moved that Chairperson Hoffman appoint an ad hoc committee at the next Commission meeting to move forward with the proposal to expand the scope of the Water Commission.

Chairperson Hoffman proposed an amendment to the motion to have further discussion and comment from Commissioners before deciding if an ad hoc committee should be appointed.

MOTION: Commissioner White moved that the Water Commission provide feedback and comment at the January 18, 2007 Commission meeting to decide if the Commission should move forward on the proposal to expand the Water Commission and to appoint an ad hoc committee if so decided. Commissioner Rizzardi seconded the motion; a voice vote reflected unanimous approval.

6B. ELECTION OF COMMISSION CHAIR AND VICE-CHAIR

Commissioner White nominated Commissioner Lew and Commissioner Rizzardi nominated Chairperson Hoffman for Chairperson of the Water Commission.

MOTION: Commissioner Rizzardi moved to close the nominations for Chairperson of the Water Commission. Commissioner White seconded the motion; a voice vote reflected unanimous approval.

Chairperson Hoffman was elected Chairperson of the Water Commission for a one-year term beginning January 2007 as reflected in the following 4-2 roll call vote:

Chairperson Hoffman: Commissioners Deemer, Lew, Rizzardi, and Warner.
Commissioner Lew: Commissioner White and Chairperson Hoffman.

Commissioner Warner nominated Commissioner Lew and Chairperson Hoffman nominated Commissioner Rizzardi for Vice-Chairperson of the Water Commission.

MOTION: Commissioner White moved to close the nominations for Vice-Chairperson of the Water Commission. Commissioner Rizzardi seconded the motion; a voice vote reflected unanimous approval.

Commissioner Lew was elected as Vice-Chairperson of the Water Commission for a one-year term beginning January 2007 based on the following 4-2 roll call vote:

Commissioner Lew: Commissioners Lew, Rizzardi, Warner, and White.
Commissioner Rizzardi: Commissioner Deemer and Chairperson Hoffman.

7. WEST BASIN WATER ASSOCIATION REPORT

Senior Administrative Analyst Schaich reported that at the December 5, 2006 West Basin Water Association meeting the Department of Water Resources (DMR) discussed the decrease of ground water production in the West Coast Basin. He

reported that West Basin Municipal Water District discussed a \$25 million grant from DMR to the southern region, the adoption of the IRWMP on December 23, 2006, the "Ocean Friendly Garden" sponsored in conjunction with the Surf Rider Group, the election of directors Ron Smith and Gloria Gray, a grant research and writing workshop, a contract with Kern County Water Authority to divert State Water Project water for irrigation, and the release of 65,000 acre feet of water back into the Owens River to re-establish a river environment.

He stated that Water Replenishment District (WRD) reported that the Goldsworthy Desalter Facility has been granted a six-month extension in operations until April 22, 2007 while the Technical Advisory Committee (TAC) meets to discuss a basin wide approach to the saline water contamination and how to utilize the facility. WRD also reported that they are moving into their new building in the City of Lakewood in January 2007, that Sergio Caulderson and Lillian Kawasaki were elected as new directors, and that the West Coast Operating Plan has been released.

Public Works Director Beste stated that he is advocating a shift in the policy on how the West Basin is viewed and, rather than clean up the entire Basin, that they look more toward protecting future investment in wells that are currently producing and the effectiveness of the Goldsworth Desalter Facility.

In response to Commissioner Deemer's inquiry, Senior Administrative Analyst Schaich stated that the Goldsworth Desalter Facility used to produce 2,500 acre feet of water per year and that water rights would have to be committed in April 2007 on a temporary basis. He stated that, based on well testing, expansion of the Desalter is no longer a component of the Department's strategy.

8. MONTHLY DEPARTMENT REPORT

Senior Administrative Analyst Schaich discussed the November 4, 2006 water main break on Western Avenue south of 190th Street.

Public Works Director Beste noted that 150 feet of roadway was lifted approximately four inches from curb to curb.

MOTION: Commissioner White moved to accept and file the Deputy Public Works Director's Monthly Department Report as submitted. Commissioner Lew seconded the motion; a voice vote reflected unanimous approval.

9. METROPOLITAN WATER DISTRICT DIRECTOR'S REPORT

MWD Director Wright reported that ozone retrofit is a necessary capital project because water going through the Bay Delta picks up a large amount of plant material. He also discussed the inland feeder capital project to bring water through a tunnel from the north. He stated that the cost of construction and power costs have increased so much that MWD will need to increase its rates by as much as 7% per year. He stressed the importance for Torrance to develop the Basin, to pump its entitlement, and look into leasing additional water rights.

He announced that he has been appointed to the Water Planning Committee and the Water Operations Committee, and elected to the Ethics Review Committee for a three-year term.

10. ORALS

10A. Commissioner Deemer stated that Pacific Gas and Electric received approval to replace its entire network with timing meters.

11. ADJOURNMENT

MOTION: At 9:32 p.m., Commissioner Rizzardi moved to adjourn the meeting to January 18, 2007 at 7:00 p.m. in the West Annex Commission meeting room. Commissioner Lew seconded the motion and, hearing no objection, Chairperson Hoffman so ordered.

Approved as Amended February 15, 2007 s/ Sue Herbers, City Clerk
